

## Message Text

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42

ACTION EB-03

INFO OCT-01 SS-14 ISO-00 L-01 SP-02 EA-06 INR-05 CIAE-00

SWF-01 RSC-01 /034 W

----- 074328

R 040949Z DEC 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 8859

INFO AMEMBASSY BANGKOK

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

C O N F I D E N T I A L MANILA 14264

LIMDIS

E.O. 11652: GDS

TAGS: ETRD, TW, TH, RP, KS

SUBJECT: COTTON CONTRACT PROBLEMS

1. EMBASSY CONTINUES TO MONITOR COTTON CONTRACT SITUATION CLOSELY AND MAINTAINS CLOSE CONTACT WITH DEVELOPMENT BANK OF THE PHILIPPINES WHICH DURING LAST CONSULTATIONS DEC. 2 ASSURED US THAT BOTH CCC AND FREE DOLLAR ALLOCATIONS WILL HAVE TO BE APPLIED TO COTTON CONTRACTS WITH OVERDUE L/CS.

2. THE REALLOCATIONS OF CCC REGISTRATION BY DBP WAS DONE TO ASSURE THAT THOSE MILLS WHICH REQUESTED AN ALLOCATION OF CCC COTTON WOULD HAVE TO USE THIS CREDIT TO CLEAR UP THEIR OVERDUE L/CS.

3. DBP ALSO ASSURED US THAT THOSE MILLS WITH NO CCC ALLOCATION WILL BE REQUIRED TO APPLY THEIR FREE DOLLAR ALLOCATIONS TO CONTRACTS WITH PAST DUE L/CS.

4. COMMENT: THE FOREGOING MERELY AFFIRMS OUR EARLIER REPORTS, BUT IT IS STILL TOO EARLY FOR US TO GAUGE ACCURATELY THE FINAL PERFORMANCE. IN THE MEANTIME, WE ARE DEEPLY TROUBLED BY THE IMPLICATIONS FOR COTTON AND OTHER CONTRAC-  
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TUAL INTERESTS LOCALLY OF REPORTS THAT U.S. SUGAR REFINERS

ARE WAVERING ON PHILIPPINE EXPORT CONTRACTS. PRESIDENT  
MARCOS REPORTED THIS SITUATION TO AMBASSADOR DEC 3, SAYING  
THAT BROKERS WERE EXPERIENCING PROBLEMS WITH SEVERAL U.S.  
REFINERS BECAUSE OF FALLING SUGAR PRICES.  
SULLIVAN

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COTTON, EXPORTS, CONTRACTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 DEC 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** izenbei0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MANILA14264  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740351-0693  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t19741261/aaaacamx.tel  
**Line Count:** 66  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <07-Aug-2002 by kelleyw0>; APPROVED <17 MAR 2003 by izenbei0>  
**Review Markings:**

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US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COTTON CONTRACT PROBLEMS  
**TAGS:** ETRD, TW, TH, RP, KS  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005